

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA
Civil No. 08-5348 ADM/JSM

UNITED STATES OF AMERICA)
)
Plaintiff,)
)
v.)
)
THOMAS JOSEPH PETTERS, et. al.,)
)
)
Defendants.)

ORDER AUTHORIZING AND CONFIRMING
SALE OF 7.5% MEMBERSHIP INTEREST IN MN PINE MEADOWS, LLC

Upon consideration of the AFFIDAVIT OF RECEIVER, together with its Attachments and the STIPULATION by and between Plaintiff United States of America, Defendant Thomas Joseph Petters (“Petters”) and Receiver Douglas A. Kelley (the “Receiver”), stipulating to the sale of Petters’ 7.5% membership interest in MN Pine Meadows, LLC, the Court finds:

1. Petters is the holder of a seven and one half percent (7½%) membership interest (the “Membership Interest”) in MN Pine Meadows, LLC, a Minnesota limited liability company (the “Company”). The Company owns and operates a one hundred seventy-nine (179) site manufactured housing community in East Waxachachie, Texas,

approximately thirty (30) miles south of Dallas, Texas. The Membership Interest was purchased by Petters in 1999 for approximately \$75,000.00.

2. A memorandum was prepared analyzing the worth of the Company and Petters' Membership Interest therein. Based on the actual 2008 operating performance of the Company and depending on the capitalization rate used, it was determined that Petters' Membership Interest was worth between approximately \$45,200.00 and \$76,500.00.

3. Pursuant to the terms and conditions of Section 6.1 and Section 6.4 of the August 4, 1999 Member Control Agreement between the Company and its members, as amended, Petters' Membership Interest must first be offered for sale to the other members of the Company before it can be sold to any other person or entity.

4. The Receiver has received an offer (the "Offer") made on behalf of the following eight (8) other members of the Company (collectively, the "Other Members") to purchase the Membership Interest of Petters for an aggregate purchase price of \$60,000.00:

Stuart A. Chazin

Bradley C. Chazin

Andrea E. Chazin Trust

Margo R. Levitt Trust

Jerry L. Woldorsky

Baratz Family Limited Partnership

Ralph and Faye Stillman, jointly

Sol Brandys.

No other offers to purchase the Membership Interest have been received. Given the amount of the Offer and the very limited market for the sale of Petters' Membership Interest, it is in the best interests of the receivership to accept the Offer of the Other Members.

THEREFORE, IT IS ORDERED that the sale of the Membership Interest to the Other Members for the aggregate purchase price of \$60,000.00 is approved. The Receiver is hereby directed to deliver one or more assignments of the Membership Interest to the Other Members or their respective assigns.

IT IS SO ORDERED.

BY THE COURT:

s/Ann D. Montgomery
ANN D. MONTGOMERY
U.S. DISTRICT JUDGE

Dated: September 16, 2009.